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August 12, 2025

Notice Concerning Recording of extraordinary loss (Impairment loss) and the Revision to Financial Results Forecast

CTI Engineering Co., Ltd. (the "Company") hereby announces the recording of extraordinary loss (impairment loss) during Q2 FY2025 (63rd Term) Financial Results. As a result of this, the Company hereby announces that it has revised its earnings forecasts ending December 31 2025, as described below. The dividend forecast remains unchanged from the initial forecast.

1.Details of extraordinary loss (impairment loss)

The Company has decided to change fixed assets such as land and buildings that the Company owns and has used as employee dormitories from business assets to dormant assets, and will record an impairment loss of 432 million yen as an extraordinary loss, during Q2 FY2025 (63rd Term) Financial Results, as a result of examining future recoverability based on the "Accounting Standard for Impairment of Fixed Assets".

2.Revised earnings forecasts

Revision of consolidated earnings forecasts for FY2025 (Consolidated)

	Sales	Operating Income	Ordinary Profit	Net income attributable to owners of the parent	Net income per share
Previous forecast (A)	Millions of yen 100,000	Millions of yen 10,000	Millions of yen 10,000	Millions of yen 6,900	Yen 248.55
Revised forecast (B)	100,000	10,000	10,000	6,300	226.77
Change (B-A)	-	-	-	(600)	
Percentage change (%)	-	-	-	(8.7)	
(Reference) Results for FY2024	97,678	9,396	9,535	6,746	243.10

Revision of consolidated earnings forecasts for FY2025 (Non-Consolidated)

	Sales	Ordinary Profit	Net income	Net income per share
Previous forecast (A)	Millions of yen 60,000	Millions of yen 9,000	Millions of yen 6,600	Yen 237.75
Revised forecast (B)	60,000	9,000	6,000	215.98
Change (B-A)	-	-	(600)	
Percentage change (%)	-	-	(9.1)	
(Reference) Results for FY2024	59,405	8,932	6,532	235.41

3.Reason for the Revision

The initial forecast has been revised as it is expected that Net Income Attributable to Owners of the Parent will decrease due to the expected recording of the extraordinary loss described above.

*The above forecasts are based on information available as of the date of publication of this document. Actual results may differ from the forward-looking statements due to a variety of factors.